116, 311, 423, 435

"(1) A special investigation made by a government committee in 1923 estimated the cultivable area in Taiwan at 940,000 ko (900,300 hectares or 2,234,000 acres); another committee in 1929 estimated this area at 930,000 ko (893,700 hectares). (1) The area

1. Quoted by Takahashi, op. cit., p. 94.

cultivated at present is about 850,000 hectares or 23.8 per cent of the total area of the island, which is 3,576,000 hectares. If the estimates of the committees are [44] correct, then the cultivated area of Taiwan is approaching its maximum and only about 40,000 to 50,000 hectares remain to be turned into fields. We do not know what criteria the committees used in their investigations, but there are reasons to believe that their estimates are too low. Almost half of the total area of the island is territory of the aborigines, where fields are almost non-existent. It is true that this territory is mountainous and the cultivable area cannot be great, yet it should be considerably greater than 40,000 to 50,000 hectares. However, it is clear that the greater portion of cultivable land is already under the plough, so that the emphasis should be placed on other methods of increasing agricultural output.

This disparity between the growth of population and the growth of cultivated area has brought a sharp increase in land values. In 1914 one ko of good paddy land in the central

part of Taiwan province cost on the average ¥331; in 1925, ¥700; in 1937, ¥2,000. (2)

2. Ibid., p. 158.

Of course, the depreciation of the yen, the increase of yields and other factors also played a part in this increase, but the pressure of increasing population was probably also an important element."

4:Grajdanzev--61 S-4 (no date) 1942 Formosans
116, 249, 423, 471, 177.47 Japan
636.47

"The old type of sugar cooperatives dominating the industry before 1895 disappeared with the advent of capitalistic forms of enterprise in Taiwan. Production of sugar is now carried on in modern mills which are the property of the Japanese sugar companies possessing tremendous amounts of capital (several hundred million yen). Step by step these companies acquired a huge area of cultivated land——from 63.2 thousand ko in 1925 this area increased to 93.2 thousand ko in 1935. The latter figure amounts to more than ten per cent of the cultivated area of the island, but in the regions where sugar cane is cultivated the companies own more than twenty per cent of the area under cultivation (1).

1. Actually their influence is greater than these figures suggest because they rent about 20,000 ko of land.

However, it would be a mistake to think that this huge area is used by the manufacturers for sugar cane plantations. They plant only about 18,000 to 25,000 thousand ko with cane, while all other sugar cane is bought by them from the small farmers, i.e. about three-quarters of the total sugar cane production is supplied by 127,000 to 130,000 farmers, each planting on the average only half a ko."

4:Grajdanzev--76-78 S-4 (no date) 1942 Formosans-1-4
116, 114, 178, 423, 427, 177.42 Japan
636.42

"The division of families occupied in agriculture into owners, part-owners and tenants may be seen from the following table: (1)

1. Here and in the following tables the official figures of families occupied in agriculture are used, though, as was pointed out, they are probably underestimates. The statistics of landowners in Taiwan should be more or less correct because the land is surveyed and change of title involves a complicated procedure. The statistics may be incomplete only as regards tenants and agricultural workers (which they omit completely), and if one takes these into consideration one comes to the conclusion that official statistics probably give a brighter picture than is justified.

Division of Agricultural Families in Taiwan
(thousands)

	1932	1933	1935	1937	1938
Owners	132.2	129.4	132.1	131.1	130.2
Part-owners	119.3	121.7	128.4	134.8	135.6
Tenants (2)	152.4	155.0	159.4	161.5	158.7
Total	403.9	406.1	419.9	427.4	424.5

Footnote (2) on next page.

Division of Agricultural Families in Taiwan [Cont.]
(thousands)

2. Those who have read Japanese Rule in Formosa by Yosaburo Takekoshi may be astonished to discover that there are tenants in Taiwan. Takekoshi wrote in 1905 '. . . The tenants [in Taiwan, after the reform by the Japanese administration] came to enjoy the absolute ownership of the land they or their ancestors have been farming for three centuries. Such a change certainly amounted to a social revolution. Most of the revolutions recorded in history required sacrifices, but the present one was entirely bloodless. This change has given the tenant absolute ownership, thus insuring securing of property. . . .' (p 132). But what Takekoshi described as a social revolution, was actually only a very modest reform: the government abolished the rights of the taiso--owners who had only doubtful title to land. This reform made transfer of real estate more secure and paved the way for Japanese penetration.

As percentages of total

Owners	32.7	31.9	31.4	30.7	30.7
Part-owners	29.6	29.9	30.6	31.5	31.9
Tenants	37.7	38.2	38.0	37.8	37.4
Total	100	100	100	100	100

Source: Takumu Tokei, 1938.

[77] As this table shows, about forty per cent of all farmers in Taiwan own no land at all and must rent it from landlords and farmer-owners; about thirty per cent have plots so small that they are compelled to rent land, and barely thirty per cent of the farmers till only their own land. These figures are striking. Taiwan does not know rich tenants of the British type. Those who rent land are mostly poor farmers, but even those who cultivate their own land, are not all rich. As to the relative changes, there is a noticeable fall in the percentage of owners in six years--from 32.7 per cent in 1932 to 30.7 per cent in 1938. For the same period the percentage of tenants is the almost the same (37.7 and 37.4 per cent respectively), while the percentage of part-owners rose from 29.6 per cent to 31.9 per cent. It would seem that the farmer-owners are gradually losing their position and sinking to the level of tenants, but a six-year period is not a sufficiently long time to ascertain definitely whether such a trend exists.

However, it is not only the number of owners and tenants which is important, but also the area which they respectively till. Statistics of area are divided into only two categories — owned and rented.

Area Owned and Rented in Taiwan in 1932
(1,000 ko)

	Dry fields		Paddy		Total	
	Area	%	Area	%	Area	%
Owned	230.2	60.0	132.2	33.3	362.4	46.5
Rented	153.8	40.0	264.0	66.7	417.8	53.5
Total	384.0	100	396.2	100	780.2	100

Source: Nogyo Nenkan, 1939-40, p. 641.

In 1932 the area cultivated by owners constituted 46.5 per cent, the area rented by tenants 53.5 per cent. But it is important to emphasize that owners cultivated chiefly dry land while the tenants cultivated paddy. Paddy brings much higher yields than dry fields; in 1937 the average yield of rice per ko of paddy was about 14 koku while that per ko of dry land was only 7.8 koku, and, further, many paddy fields [78] produce two crops a year. In other words, one ko of paddy yields, on the average, more than twice as much as one of dry land, so that the tenants produce about sixty-five to seventy per cent of the total crop of Taiwan on rented land, and the owners not more than thirty-five to thirty per cent."

4:Grajdanzev--87-88 S-4 (no date) 1942 Formosans
116, 167, 313, 423, 659, 177.31 Japan
636.31

"When the Japanese occupied the island, the new administration immediately became interested in its forest resources. One part of forests was in the possession of the Chinese farmers, but the other, more important one was the area of the aborigines. The Chinese were required to register the documents of ownership of forest lands, and since in most cases they had no such documents—their possession and use of forests being based on [88] custom—this device enlarged the government forest reserves (1). It has

1. This is described in Section 3, Ch. 11, p. 1 of T. Yanaihara, Teikoku Shugishita no Taiwan, pp. 23-26.

already been mentioned that in order to use the forests, formerly occupied by the aborigines, the government began to settle the latter by force in the plains. It is said that the settlement of one family of aborigines on the plains cost only ¥70, and this may be compared with the ¥1,000 or more which are spent on the settlement of a Japanese family. Many hundred thousands of ko of forest were acquired in this way."

31: Hofmann--630-631 N-3 (1909) 1912 Formosans
116, 342, 423, 556

In Tainan I stayed in an old house which belonged to a member of the Chinese nobility; there I was able to observe the luxury with which the Chinese surround themselves. Many of the Chinese have accumulated considerable wealth on Formosa; there are several millionaires among them who had remained after the conquest of the island, while others fled to the mainland with all their possessions. In contrast to the Japanese, who throughout their history have looked down upon capitalists and traders, who even despise merchants and today still do not always accept them socially, the Chinese are all motivated by a desire for profit. The pioneers among them took large areas of the most fertile land from the natives; these were leased and subleased to later immigrants. Thus when the Japanese took possession of Formosa they encountered a complicated system of land ownership and tenure which yielded great profits to some individuals. In the management of real estate problems, [631] which resulted in the large-scale exploitation of tenants and subtenants, the new regime has constantly taken the side of the exploited and it has succeeded in bringing order into the system as a whole. There is still a wide field of activity for the Chinese capitalists, however, since they apply only to their compatriots for credit, never to the Japanese.

42: Schetelig--390-391 T-2 (no date) 1868 Formosans-1-2
116, 423, 556, 565

Formosa was not colonized by the government. The Chinese were, and are, too practical not to know the drawbacks of state interference in colonization in all its extent, and both on the mainland and here in Formosa [391] they have taken good care not to transfer the center of gravity of the Empire to the outside. Consequently... northern and western Formosa must be looked on as a colony of squatters who, however, in the course of the years, have received titles and documents from the mandarins for the land which they had often acquired by the sword. All this was done by means of contracts and compromise, and so it comes about that today, in the midst of a population already numbering millions, and who immigrated comparatively recently, we find a number of old families who, having lived here for centuries, have developed a power that far exceeds that of the Imperial officials, due to the great forces that the possession of land has always put at their disposal. But it is clear that these various parties lend each other support in view of the chaotic condition of a population that has come together from the most varied provinces of the Empire, and in view of the need of exploiting the camphor forests in their own interests both against the Europeans outside the country and the mountain-dwelling natives within. The rich and independent settler of long standing supported the mandarin in maintaining and extending Imperial rights, at least insofar as he himself was not included in them, and on the other hand the mandarin has always been intelligent enough to respect the traditional rights of such an independent leader,

exacting no transport tax for his merchandise and not even hampering him in his destructive war against the extensive camphor woods, although otherwise every infringement of the law concerning the sacredness of the camphor monopoly is looked on as a kind of high treason directed against the Crown.

they had to rely on themselves. Usually rich and influential people received land grants from the government. Then they hired farmers, supplied them with capital, and organized self-protection forces against bandit and aborigine raids. In return, the owner received rent from the cultivators. Legally he was the proprietor and landlord. When a cultivator was assigned a large patch of land, he could rent some parts of it out to other cultivators, and thus in a sense he also became a landlord. In this case there were two proprietors for the same patch of land. This is the origin of primary and secondary ownership of land in Formosa. The original proprietor held the first title, the second proprietor held the second title to the land. The cultivator paid rent to the second proprietor, and the second proprietor paid rent to the first proprietor. The first proprietor, as the nominal owner of the land, paid the land tax to the government. Sometimes with the connivance of officials, an influential man could get the first title to certain land without any investment and collect the rent.

This complicated system of land ownership resembled somewhat the Oberhoheit and Unterhoheit of medieval Germany, and the landlords' control of the self-protection forces tended toward a kind of feudal system. Moreover, this system made the transfer of

423 ownership and the collection of taxes difficult. For this reason in the later years of the Manchu rule, Liu Ming-Ch'uan, an able and far-sighted governor, tried to abolish it. Meeting with stiff opposition from the landlords, his plan was doomed to failure. Liu's project however, was finally carried out by the Japanese government. Between 1898 and 1905 a land survey was completed. In 1903 the existing first titles were confirmed, and further establishment of them was prohibited. In the following year the system of double titles was abolished, and the holders of first titles were compensated by a total sum of 3.78 million yen in bonds. After this all the holders of secondary land titles were recognized as the sole owners and thus the embryonic feudal system was abolished.

3. Relation between Landlord and Tenant

427 The relation between landlord and tenant was generally analogous to that between father and son, and the son was expected to obey the father. Besides paying high rent for the land, tenants presented their landlords with chickens and the like at festival seasons, and were expected to work for the landlord when he requested their help. Though tenants were not serfs, their status was obviously much lower than that of the landlord. This situation continued to the 1920s. The social movement of the Taiwan Cultural Association awakened

427 the social consciousness of the farmer, and Farmers' Association encouraged the farmers to oppose their landlords. Hitherto tenancy had been based mainly on oral contract, and, even where there were written contracts, the terms of tenancy were ambituous. To mitigate the situation, the Japanese administration sponsored Landlord-Tenant Associations, and proposed various measures for improvement in the land tenancy system. The Landlord-Tenant Associations recommended written contracts and the extension of the terms of tenancy. But unwilling to give up their privileges the landlords resisted these recommendations. However, the tenant farmers were aroused by the agitations of the reform movement; many of them abandoned the custom of bringing their seasonal presents to the landlord.

423 427 Shortly after the restoration of Formosa to China, a rigorous land reform program was begun. Under this program, all farm leases are required to be in writing according to a form promulgated by the Taiwan Provincial Government. The obligations and responsibilities of both the landowner and the tenants are definitely specified. As a result, the tenants may deal with landlords on equal terms, and democratic relationships are established. 466 Simultaneously, the relations between the employer and the employee in industrial establishments underwent similar changes.

642 The Chinese Constitution provides that the people be given the right to existence, the right to work, and the right to own property.[20] The right of existence implies that the people shall be guaranteed a minimum standard of living. As to the right of work, the state shall provide opportunity of employment to the people who are capable of work, commensurate with their capacity and ability, so that they may render their services to the community and support themselves.[21] The state shall accord special protection to working women and children who work (Article 153) and shall give assistance and relief to the aged, the infirm, the disabled, and the victims of natural calamities. To promote social welfare, the state shall put into operation a Social Insurance System (Article 155).

651 403 642 No one shall be arbitrarily deprived of his property. However, privately owned land and other property are liable to taxation. If any land has an increase in value, through neither the exertion of labor nor the employment of capital, the state shall levy thereon an increment tax, the proceeds of which shall be used for public welfare.[22] The government

20. Ibid., Article 15.
21. Ibid., Article 152.
22. Ibid., Article 143.

may regulate the distribution of land in the interests of the tiller-owner and tenant-cultivators and may limit the amount of land ownership.[23]

Under the Chinese Constitution, any citizen has the right to present petitions to file complaints, or to institute legal proceedings. The Law of Petition was promulgated on December 18, 1954. It provides that a person has the right to voice his opinion concerning the policy of the government on matters of public interest to the representative agency or a competent authority, but the petition must be in written form and must not interfere with the exercise of judicial functions.[24] Any citizen may file a complaint against a wrongful decision on the part of a government body. The prescribed procedure is for the injured party to bring his complaint to a higher government body such as the provincial government, if the case is caused by an administrative act on the part of a hsien or a municipal government.

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23. Ibid., These provisions are inserted in accordance with the equalization of land ownership, one of the basic policies of Dr. Sun Yat-sen.

24. Law of Petition, 1954, Articles 2-6.

45:Stanford U. S-4, 5 1956 AD1 Formosa
~~AD1~~ AD1

Annex "A," Subparagraph 3a",
Economic Background

LAND REFORM

I. LAND TENURE BEFORE REFORM

•423 162 For many years the most crucial problem confronting Formosa, as is the case with most countries on the continent of Asia, has been that of too many farmers and not enough land. There has been an enormous growth of population in the past half-century. For lack of industrial development, over 51.93 per cent of the total population in Formosa is engaged in farming.[1] The agricultural [161] population grew[2] from 3,318,235 in 1944 to 4,381,816 in 1953. Only 24.7 per cent of the land in Formosa is arable.[3] As is always the

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1. Taiwan Agricultural Yearbook, 1954 Edition, compiled by the Provincial Department of Agriculture and Forestry, Taipei, October 1954, p. 1.

2. Ibid., p. 25.

3. Ibid., p. 8. The total area of Taiwan Province, including the Pescadores and adjacent small islands, is 3,707,658 chia (or 35,961 square kilometers) and the total area of public and private cultivated land is 903,273 chia (or 8,082 square kilometers) in 1953. (Chia is the unit of measurement of land on Formosa; one chia is equal to .9699 hectare or 2.3968 acres.)

423 162 case in heavily populated countries with limited land, very little land is offered for sale. The majority of the farmers are tenants. When the population grows larger the competition becomes keener. Consequently, the landlords are able to impose high rentals and other harsh terms. As time goes on, the landlords grow progressively richer and the tenants progessively poorer. The general poverty from which the poor peasants are unable to lift themselves is the primary cause of social unrest. Before the land reform programs were launched at the end of 1948, the distribution of tenure among the agricultural population in Formosa was as tabulated below.[4]

	Number of Farm Families	Percentage
Owner-cultivators	211,649	35
Part-owners	154,460	26
Tenants	231,224	39
Total	597,333	100

4. Ibid., p. 24.

403 The foregoing tabulation shows that
162 tenants and part-tenants who own no land, or only part of the land they till, constituted 65 per cent of the farm population, and only 35 per cent were independent farmers. The scarcity of land coupled with inequitable distribution led to the continued exploitation of the tenant farmer by the landlord.

427 Prior to 1949 the land rental averaged 50 per cent of the total yield per annum; in some cases more. In Taichung and Hsinchu there were instances where the tenants paid to the landlords 70 per cent of their annual harvest. In addition to the high rental, the tenants often were required to pay the landlord a large rent deposit. Then there was uncertainty of tenure. In most cases there was no written lease. Even when there was a written contract, the period of lease generally covered only one to two years, or was not definitely stated. This left the landlord free to terminate the lease at will. Since the dispossessed tenant was not entitled to any compensation, the resulting hardship could be easily imagined. The need for reform was evidently urgent.

II. LAND REFORM

423 Land reform for the sake of social justice was advocated by Dr. Sun Yat-sen,

423 founder of the Republic of China, in his San-min Chu-i.[5] He called it the Land-to-the-Tiller Policy. It had been tried out in the provinces of Szechwan, Kwangsi, and Kweichow after World War II and met with some degree of success; but the reform program was interrupted by the Communist uprising. When Gen. Chen Cheng became the governor of Formosa in December 1948, he undertook with great zeal and determination to carry out the much-needed land reform in the insular provinces.

423 185 With the aid of the Sino-American Joint Commission on Rural Reconstruction (JCRR), a detailed program of land reform was mapped out. The program was to be carried out in three successive stages, namely, reduction of farm rent in 1949, sale of public farm lands in 1951, and redistribution of private lands in 1953.

A. Rent Reduction

423 429 On April 14, 1949, the Taiwan Provincial Government promulgated a set of regulations

5. San-min Chu-i [The Three Principles of the People], Taipei, China Cultural Service, reprinted 1953, p. 187.

governing the lease of private farm land in the province, which limited farm rent to 37.5 per cent of the annual yield of the main crop. The new law provides that if the rent originally agreed upon exceeds this percentage, it must be reduced accordingly. If it is less than 37.5 per cent, it must not be increased. It represents a substantial reduction from the customary 50 to 60 per cent that most tenants had been paying. Moreover, "the total annual yield" does not mean the actual annual yield on the farm; it refers to the standard amount of yield fixed on the basis of the productivity grade of the land at the time of lease. A standard amount was determined by the Rent Reduction Committee in each locality to conform with current conditions. As long as the lease remains in force, this standard amount is not subject to change. As a result of the reform, not only the customary amount of rent is reduced, but the increased production from the land resulting from the tenants' extra efforts (such as the increasing use of fertilizers, improvement in farming practice, etc.) is fully enjoyed by the tenant themselves; the basis for rent calcualtion is fixed and not subject to change.[6]

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6. T'ang Hui-sun, "Steps in the Implementation of Land Reform in Taiwan," in Land Reform in Free China, published by Free China Review, Taipei, May 1, 1953, pp. 8-9.

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429 In case of crop failure, the tenant farmer may request the Farm Tenancy Committee of the village, township, or district office to investigate the extent of loss and decide on measures for the reduction of rent. Should the total yield be less than 30 per cent of the normal yield, the entire rent payment shall be remitted.[7]

To guarantee the security of tenure it is further provided that all lease contracts between the landlord and the tenant must be written and registered with the government. The Farm Rent Reduction Act of 1951 specifies that the period for which farm land is leased shall not be shorter than six years. If the period originally agreed upon is longer than six years, it shall remain unchanged.[8] At the expiration of the lease, the right of the landlord to take back his own land is subject to many restrictions.[9] Even if the land is offered for sale, the tenant has the right to continue using the land during his tenure. In other words, the landlord may transfer his right of ownership, but not the right of use.

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7. See Article II, Farm Rent Reduction to 37.5% Act, promulgated by the Chinese National Government on June 7, 1951.
8. Ibid., Article V.
9. Ibid., Article XIX.

423 The benefits of the rent-reduction program
427 are noticeable in the improvement of the
511 tenant farmers' living conditions. The saving in rent payments, amounting 25-30 per cent of their gross income, can now be used to buy new clothing for their families, to send their children to school, to repair their houses, or to purchase farm land. They also work harder
423 because any inc reace in production accrues to
433 them. This factor contributed to the substantial annual increase of rice production from 1949 to 1954.

Production of Unhulled Rice*

Year	Metric Tons
1949	1,215,000
1950	1,421,000
1951	1,485,000
1952	1,570,000
1953	1,642,000
1954	1,695,000

* Taiwan Economic Data Book, compiled by FAO Mission to China, Part II, Vol. III, March 1955, Taipei, p. 5. The average production of rice perhectare increased from 1,624 kilograms in 1949 to 2,183 kilograms in 1954. Central Daily News, Oct. 22, 1955, p. 3.

423 425 427 Another effect of the rent reduction is the steady decline in the price of land cultivated by tenant farmers, because the reduction of rent has lessened the landlords' interest in making investments in land and stimulated their desire to sell it. At the same time, the increase of farm income has enabled some tenant farmers to buy land. According to the statistics of the enforcement of the Rent Limitation Program compiled by the Provincial Land Bureau, 66,328 tenant families bought 35,522 chia (85,139 acres) during the five-year period[10] from 1949 to 1953.

B. Sale of Public Lands

423 The reduction of rent relieves the tenant farmer of his excessive financial burden, but it does not satisfy his wish to own the land he tills. The ultimate object of land reform is to help the tenant to realize his cherished dream of owning the land he and his forefathers have tilled for decades.

Over 20 per cent (181,490 chia or 434,900 acres) of the total arable lands[11] in Formosa belonged to the government. They

10. T'ang Hui-sun, op. cit., p. 64.

11. Total area of farmland in Formosa in 1949 was 891,689 chia, or 1,137,200 acres, and public land amounted to 181,490 chia, or 434,000 acres.

423 had been the property of the Japanese colonial government and included large areas owned by Japanese industrial enterprises. When the island was retroceded to China, all the lands formerly owned by Japanese nationals were expropriated by the Chinese Nationalist Government.

In May 1951 the Nationalist Government decided to sell public lands to farmers as the initial step in the implementation of the land-to-the-tiller policy. Prior to the sale, 60 per cent had been leased to tenants at a low rent, generally 25 per cent of the annual yield. The measures for the sale of public farmland for the creation of owner-farmers in Taiwan were approved by the Executive Yuan on May 30, 1951. Approximately 90,000 chia (216,000 acres) of public lands were offered for sale. Of the public lands retained for public use, the largest part was retained by the Taiwan Sugar Corporation for the growing of sugar cane, and the remainder was kept by various government departments and schools for their own specific uses.[12]

The public lands offered for sale were sold mostly to the original tenant farmers. The

12. T'ang Hui-sun, op. cit., p. 67.

•423 price was fixed at 2.5 times the value of the annual main crop,[13] and was to be paid off in ten annual equal installments, each of which was not to exceed, including the land tax, 37.5 per cent of the value of the total annual main crop yield of the land purchased.[14] As the land value was appraised at 2.5 times the total annual main crop, each of the ten yearly installments would be 25 per cent of the total main crop yield, or the equivalent of the annual rent which the farmer had been paying as lessee before he made the purchase. So the transfer of ownership from the state to the tenant farmer was accomplished without increasing in the least the financial burden of the farmer.

The public lands were offered for sale in five groups from 1951 to 1953. A total of 63,000 chia (151,000 acres) or nearly 70 per cent of the total area designated for sale, was purchased by 77,211 families. The remaining 30 per cent of public lands were struck off the official list for sale because they were found to be too poor in fertility or lacked irrigation facilities for proper cultivation by

13. Article VIII of the Measures for the Sale of Public Farmland for the Creation of Owner-Farmers in Taiwan.

14. Ibid., Article IX.

• 423private individuals.

C. Redistribution of Private Lands

As a basic preparation for the final consummation of the land-reform program -- the redistribution of the private lands -- a general landownership classification was undertaken by the Taiwan Provincial Government with the technical assistance of the Sino-American Joint Commission on Rural Reconstruction. "A total of 4,039,685 Land-Record Cards, involving 3,972,112 plots of registered land, of 1,046,892 Landownership Cards involving 829,864 families of landowners, and of 1,574,846 Joint Ownership Cards, involving 1,480,227 plots of land was compiled."[15] From the new Land-Record Cards new cadastral statistics were compiled to serve as a basis in mapping out projects for the redistribution of farmland. This gigantic undertaking was completed in June 1952. Mr. Worf I. Ladejinsky, the American expert on land problems who had planned the postwar land reform in Japan, was invited to Formosa for consultations. On July 24, 1952, in order to give the proposed program an added impetus, the Kuomintang passed a resolution to the effect

15. T'ang Hui-sun, op. cit., p. 100.

423 that a land-to-the-tiller program shall be enforced in Taiwan beginning from January, 1953; all Kuomintang members in responsible government positions shall regard this as the central task for the year, and all activities of the Kuomintang shall be effectively co-ordinated therewith.

The Land-to-the-Tiller Act was drafted by the Provincial Government on August 13, 1952, approved by the Executive Yuan on November 12, and enacted into law by the Legislative Yuan on January 20, 1953. Its main provisions are: (a) All tenant-cultivated land exceeding 3 chia (7.19 acres) of medium grade paddy field or 6 chia (14.38 acres) of medium-grade dry land[16] shall be purchased by the govenment for resale to the tenant farmers.[17]

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16. Farm lands in Formosa are classified into 26 grades according to their productivity. Lands from the 7th to the 12th grade are considered medium grade. If the acreage of land under self-cultivation already exceeds the retention limit, no portion of the tenanted land shall be retained by the landlord.

17. Article 10 of the Land-to-the-Tiller Act.

423 (b) The price of the land to be purchased by the government shall be calculated at two and a half times the total amount of its annual main crop yield, and the purchase price of the land shall be paid 70 per cent in land bonds redeemable in kind and 30 per cent in government enterprise stocks.[18] (c) Farm land purchased by the government shall be resold to the present tiller. The resale price shall be the same as the purchase price, plus 4 per cent interest, payable also in kind in ten equal annual installments.[19] The amount of land a tenant farmer may purchase is restricted by the same rule that applies to owner-cultivators. (d) The annual aggregate burden to be borne by the tenant-purchasers, namely, the annual installments of the purchase price, the interest, the land tax, surtax, water charge, and household tax, shall not exceed that presently borne by a tenant under the 37.5 per cent rent limitation program. (e) In case of crop failure due to natural causes, the tenant-purchaser may be permitted to defer the payment of the installment of that particular year. A 30 per cent postponement will be allowed in case the crop failure is less than 30 per cent; 50 per cent in case of crop failure

18. Ibid., Articles XIV and XVI.
19. Ibid., Article XIX and XX.

less than 40 per cent; and 100 per cent postponement if the crop failure is over 50 per cent.[20]

Land Bonds in rice and sweet potatoes were issued by the Taiwan Provincial Government to pay for 70 per cent of the value of land to be acquired by the government for resale. Rice and sweet potato are the two principal farm products on Formosa, rice being raised in paddy fields and sweet potatoes on dry land. Rice Bonds are used to pay for the paddy fields and Sweet Potato Bonds to pay for dry land. It was estimated that 179,000 chia (429,000 acres) or 70 per cent of the tenanted land should be purchased by the government under the Land-to-the-Tiller Act, and so Land Bonds equivalent to 1,260,000 metric tons of rice and 440,000 metric tons of sweet potatoes was issued. The amortization of principal and the payment of interest are entrusted to the Taiwan Land Bank. The principal and interest of Rice Bonds are paid in rice, while those of Sweet Potato Bonds are paid in cash by conversion at the market price at the time of maturity of the installment.[21] Based on commodities, the value of Land Bonds is not subject to fluctuation

20. Ibid., Article XXVI.
21. Ibid., Article XI.

due to changes in the value of the currency. The other 30 per cent of the purchase price is paid by the transfer of the stocks of government-owned enterprises. The stocks of the Taiwan Cement Company, the Taiwan Paper and Pulp Corporation, the Taiwan Agriculture and Forestry Corporation, and the Taiwan Industrial and Mining Corporation were to be transferred to the landowners as part payment for land purchased.

The Land-to-the-Tiller Program was launched on February 1, 1953. A limit of one year was set for its completion. By the end of 1953, a total of 143,568 chia (344,104 acres) had been purchased by the government from 104,049 landlords and resold to 195,823 tenants and part-tenants. A total of Land Bonds equivalent to 889,123 metric tons of rice and 315,476 metric tons of sweet potatoes were actually issued. The Taiwan Cement Company, the Taiwan Paper and Pulp Corporation, and several plants belonging to the Agricultural and Forestry Corporation and to the Industrial and Mining Corporation have been sold to the landlords. The total value of government industrial stocks paid to landowners as

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423 662 compensation amounts to NT$659,774,640.[22]

D. Urban Land Reform

423 In addition to the reform program for rural land, the Chinese Nationalist Government on August 26, 1954, issued regulations governing the equalization of urban land ownership. The aim of the new law is to curtail speculation by preventing the concentration of ownership and to tax the unearned profit from the rising price of urban land. The main features of the law are restriction of the acreage of land an individual or a body corporate may possess, and the levy of progressive taxes over the value of the land and its increment.

Under the new law a private landowner may not own more than one-tenth of a hectare

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22. This cash equivalent is obtained by converting the 30 per cent payment in rice and sweet potatoes according to the average market price of these two items in December 1952. To prevent the concentration of the stock of any one enterprise in the hands of large landowners, it is provided in the Rules Governing the Transfer of Public Enterprises to Public Ownership that the 30 per cent compensation to landlords would be paid seventy per cent with the government stocks of the Cement Corporation and the Paper and Pulp Corporation, and thirty per cent with those of two other corporations.

423 (0.248 acre) of urban land. Any excess portion should be sold in two years, after which period the hsien or municipal government could expropriate it at the assessed value. The area of urban land devoted to industrial use shall be determined according to the requirement in each case.[23]

423 651 As to taxation, the higher the price of the land, the heavier will be the tax. The minimum is 1.5 per cent and maximu, 6.5 per cent. The land value increment tax is levied at the time of any transfer of ownership or at the completion of a ten-year period. Any increase of value from previous transfer shall be taxed progressively from 30 per cent to 100 per cent.[24]

423 It is estimated that 10,000 hectares (24,700 acres) of urban land throughout the province will be affected by the new regulations.[25] The steady growth of population, better communication facilities, and more prosperous industry and commerce have caused a great [455] advance in land price. Urban land has become the object of speculation. The need for reform of urban land is as evident as the need for reform

23. Article XXXIV and XXXV, Regulations Governing the Equalization of Urban Land Ownership.

24. Ibid., Articles XX and XXI.

25. United Nations, Economic Survey of Asia and the Far East, 1954, Bangkok, Feb. 1955, p. 89.

•423 of farm land. The provincial authorities have already assessed the value of land in various cities and towns, and the registration of architectural improvements has been completed. It is reported that the new measures will be enforced in June 1956.

III. ASSESSING THE REFORM PROGRAM

The results of the land reform program in Formosa are shown in the statistics tabulated below.

Land Tenure 1949-53*
(One chia = 2.3968 acres)

Year	Owner-Cultivated Land	Tenanted Land	Land Retained For Public Use	Total
1949	450,224 (50.5%)	366,934 (41.1%)	74,531 (8.4%)	853,564
1950	458,359 (51.1%)	364,746 (40.6%)	74,531 (8.3%)	891,689
1951	492,255 (54.6%)	334,189 (37.1%)	74,531 (8.3%)	897,636
1952	517,059 (57.2%)	311,683 (34.5%)	74,531 (8.3%)	900,975
1953	681,346 (75.4%)	147,396 (16.3%)	74,531 (8.3%)	903,273

* T'ang Hui-sun, Land Reform in China (previously cited), pp. 14 and 18.

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Land Purchase by Tenant-Farmers 1949-53*

	Area (in chia)#	Number of New Owner-Farmers
Direct from owners	35,522	66,328
Public Land	63,000	121,953
Under Land-to-the-Tiller Act	143,568	194,823
Total	242,090	383,104x

* Land Reform in Free China, p. 18.

\# One chia = 2.3968 acres.

x This figure is not exact, because a tenant-farmer who has purchased two lots of land is counted twice. A commissioner of JCRR, Mr. William H. Pippin, recently announced that the number of new owner-farmers is 320,000 (Central Daily News, Taipei, October 22, 1955).

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Farm Land Before and After the Implementation of Land Reform*
(in chia)#

Public Land

	1949	1953
Retained by public bodies for their own use	74,531 (41.1%)	74,531 (41.1%)
Leased to tenants	106,959 (58.9%)	43,959 (24.2%)
Sold to farmers	- -	63,000 (34.7%)
Total	181,490	181,490

Private Land

	Dec. 1949	June 1952	- Dec. 1953
Owner-cultivated	372,964 (55.5%)	418,503 (61.4%)	577,717 (84.8%)
Private-tenanted	299,395 (44.5%)	262,651 (38.6%)	103,437 (15.2%)
Total	672,359	681,154	681,154

* From Statistics compiled by the Provincial Land Bureau and Agricultural Yearbook, 1953 edition.

One chia = 2.3968 acres

423 From these summaries we can assume
424 that the land reform program not only has succeeded in doing away with the exorbitant rental that the Formosan tenants were obliged to pay, but has succeeded in changing 383,104 tenant-farmers to owner-farmers. In five years the area of tenanted land has been reduced from 41.1 per cent to 16.3 per cent of the total farm land. Land reform is certainly the most noticeable achievement of the Chinese Nationalist Government since the island reverted to its control.

The measures of land reform in Formosa are both moderate and equitable, and have been well supported by the general public, although some complaint and opposition did arise from the landlords who had been deprived of the opportunity to exploit their tenants and who had been forced to sell their surplus land to the government. But the interests of the landlords have not been altogether neglected. They are reasonably compensated, and to guard against the loss by possible inflation, they are repaid yearly with commodities, not with currency. Part of their compensation is paid with industrial stocks, thus turning capital investment from agricultural into industrial channels. They fare better than the large Japanese landowners. The Japanese Land Reform Act of 1946 was imposed by the Allied occupation forces. The landlords were paid with government bonds, the value of which

•423 was entirely wiped out by subsequent devaluation
427 of the currency. The Formosan landlord should be especially contented, when he ponders the lot of his brothers on the Mainland. In sharp contrast with the moderate measures in Formosa, the Communists liquidate the landlords, confiscate their land, and make collective serfs of the peasants. The effect of the land reform in Formosa is expected to be more far-reaching than the economic betterment of the peasant class; it is an important asset of the Nationalist Government in anticipation of the liberation of the China Mainland.

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241 In connection with the successful redistribution of land in Formosa, it should be added, however, that we must not assume the economic problems of the Formosan farmers who comprise 52 per cent of the total population have been completely solved. First of all, the average size of the farm is too small for economic sufficiency, for 47 per cent of farmer families own less than 0.5 chia (1.2 acres) of farm land, 70 per cent own less than one chia (2.4 acres) and 93 per cent less than three chia (7.2 acres).[26] The average

26. From Statistics on Landownership Classification in Taiwan China, 1952, compiled by Provincial Land Bureau, Taipei, June 1952.

423 24 land owned by each farming family in Formosa is 1.28 chia or 2.8 acres as compared with 215.3 acres owned by each farming family in the United States.[27] The small size of the farms limits the living standard and the purchasing power of Formosan farmers. Even the small parcel of land owned by the average farmer is threatened with further partition on account of the enormous rate of natural increase in population. The average size of farms on Formosa has decreased from nearly 2 chia (.5 acres) in 1937 to the present 1.3 chia. Unless industrialization of the island can divert members of the growing farming families to industrial enterprises, the size of farmland per family will be further reduced through inheritance and will become too small to maintain even a marginal subsistence. It will be indeed a serious situation. Furthermore, for lack of capital, and relying principally on human labor, the efficiency of Formosan farming is low, and the cost of production is 387 24 high. The soil of the western coastal plain is alluvial, lacking sufficient humus to be fertile. Fertilizer is needed to increase its productivity.[28]

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27. Report of United States Bureau of the Census for 1950.

28. The application of fertilizer to riceland in Formosa averages 50 pounds per acre per crop, whereas in Japan, the figure is 66 to 98 pounds.

52:Barclay S-5 (no date)1954 AD1 Formosa AD1

CHAPTER III

Economic Activities and Social Change

THE activities, interests, and aspirations of the Japanese community in Taiwan were things that existed apart from the indigenous population. These elements were never effectively communicated to the Taiwanese—partly through a design to withhold them, and partly through reluctance among the people of Taiwan to accept them. Consequently the conduct of Japanese residents is not of much help in understanding the accustomed modes of life among the island's people. It is the latter problem that has the more interest for demography, and makes it essential to consider the background of social order in Taiwan and the changes under colonial rule.

The Early Agrarian Order in Taiwan

The importance of agricultural pursuits in imposing a predominantly agrarian character on a society is not a thing that can be precisely measured. Short of perfect exactitude, a great deal can be learned with lesser devices, by describing the cultural setting of agriculture in Taiwan, and pointing out how it influenced the participation by Taiwanese in the island's economy. The basis of this setting lay in the conditions that prevailed before Taiwan became a colony of Japan.

By the mid-19th century, the lowland region of Taiwan was rapidly becoming fully settled. Piracy, which had made Taiwan a scourge to sea traffic along the China coast, gradually subsided into sedentary agriculture. Most of the Chinese population was already supporting itself by farming and the marketing of farm products. Since 1700 immigration had brought in a steady stream of Chinese from the mainland. In spite of sporadic prohibitions, hundreds of thousands of peasant farmers came to seek refuge from rural poverty in South China. Once arrived, they often reverted to this same condition, by reaching unfavorable terms with some of their countrymen already entrenched there as land speculators.

Poverty tended to reproduce itself among those who reached Taiwan, though there was also great wealth open to the few who rose from cultivation to commerce. Each settled family held an advantage over newcomers. This superior position placed new migrants in

52:Barclay S-5 (nodate)1954 ADl Formosa ADl

some competition for the more desirable lands near the coast. In order to maintain their accustomed manner of farming, many were forced to move inland, where they gradually dispossessed aborigines and the earlier Hakka settlers and pushed eventually to the foothills of the interior. These many-sided conflicts of interest gave rise to land tenures more complicated than those usually found in China. The result was a set of property customs that was to become confused and encumbering in later years.[1]

With agrarian land tenures, however, it is all too easy to mistake form for substance. The system of land tenures in Taiwan gained several features that are distinctive to itself, arising to incorporate new parties into an old system—the aborigines who first occupied the area, and Chinese who acquired land titles to profit from the arrival of immigrants. But, since these landed property relationships are of little interest to us from an antiquarian point of view, their lasting effects are more important: they contributed to a form of village organization that survived through the entire Japanese occupation down to the present.

The flow of migrants is remarkable in that it populated Taiwan, with little variation over the years, closely after the model of the South China coastal area.[2] The resemblance to the mainland went beyond forms of settlement and land utilization. Politically, under Manchu control the island was supposed to be assimilated into the administration of the rest of China. It was governed as a regular political division—first as a prefecture of Fukien and later as a province itself—by officials appointed directly from Peking.

Taiwan inevitably presented special problems of control. In the first place, it could be separated from easy communication with the continent; eventually it grew almost as accessible to the Western powers as to Peking. The device most relied upon to tie the area to China was a weak one. The authorities tried, futilely, to isolate it from all external contact. From time to time, they went as far as to restrict the entry of Chinese from across the Straits, though even this had little success.

[1] See Ch'en Cheng-hsiang (1950), pp. 41-43, and Kawada, Shiro (1928).

[2] The instances of alleged "radical transformation" of land tenures (Kawada, Shiro [December 1928], p. 88) were primarily fiscal measures to reassert the central government's share in revenues from the land. Such reforms often are superficial from the standpoint of village organization. By way of illustration, one of the early official acts of the Japanese in Taiwan was to sweep away a whole section of these archaic land titles. While these reforms cleared the way to regulate rural areas from outside, they scarcely made an impression on property relations within the villages.

52:Barclay S-5 (no date)1954 AD1 Formosa AD1

this nominal government policy existed within Taiwan's rural villages. The bulk of the population was made up of peasant farmers and small tradesmen, who supplied the commodities for most of the export trade. The fact that their products were exported did not bring them into closer touch with outside markets. Farming and other village activities did not reach beyond local boundaries; the arrangements for disposing of farm produce, as we have seen, were in different hands.

The rural population led a settled existence. Taiwan being a small area, travel between places was not uncommon, but it was rare for families to change residence from one part to another. With poor roads and chronic banditry, even minor journeys entailed some hardship and risk and so were undertaken chiefly for exceptional purposes. The same difficulties hindered the movement of commodities. Internal markets had not been very effectively developed to transfer articles of ordinary use from town to town; reports tell of wide variation in prices for standard items such as food, and of prohibitive hazards to products in transit.[5] Often products could be shipped to the coast and on to China more easily than to points elsewhere in the island.

Local stability fostered local solidarities. The inconvenience of communication helped rural settlements to become close-knit communities, by segregating certain cleavages and antagonisms that the Chinese had brought with them from the mainland. Many had come from different localities in Fukien and Kwangtung, and had maintained their ancestral clan affiliations. Members of these groups frequently settled together and did not intermarry with others. Even many years after annexation by Japan, the Japanese found that several communities had kept themselves free of mixture with other groups. For these various reasons, village organization in many respects became self-contained and self-sufficient.[6]

Property institutions helped to buttress the stability in these small communities. In Taiwan, as in China, land ownership was the only durable form that substantial wealth could take. It was durable

[5] Takekoshi, Yosaburo (1907), pp. 252 and 269-270.

[6] The turbulent history of Taiwan has been carelessly represented as one of indiscriminate civil disorder, its early population as "unruly." It is noteworthy that most of the disturbances apparently followed the lines of cleavage above. Far from portending a breakdown of tradition within the Chinese settlements, these incidents were contests of strength between distinct parties—powerful clans, government forces, and aboriginal tribes. None was directed against the form of the social order itself, and none ever threatened that order.

52:Barclay S-5 (nodate)1954 AD1 Formosa AD1

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against climate and short-term deterioration in use, against destruction through violence, and against decline in the income that it produced. Since the farming population was increasing within a fairly definite area, it had additional value in speculation. Land was also relatively safe against confiscation by the government; not only could its ownership be hidden from casual inspection, but the government itself depended on the obligations owed to landlords by tenants to uphold its authority. Under agrarian conditions of farming on a small scale it is impossible to cultivate large holdings of land under a single management. Hence, the only way to amass large wealth is to become a landlord—beyond some point, necessarily an absentee landlord. In early Taiwan, considerable concentration of landholdings was reported. Ownership tended to gravitate into the control of large and powerful families, whose influence was the only recourse of government officials in asserting their rule.[7]

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On the economic side, this concentration of wealth was not given a chance to develop into industrial-type investment. The landed gentry, often landed on considerable scale, were the only group of persons who had access to sufficient income to become capitalists.[8] Practically, however, it proved more secure and profitable to let out their lands to tenant farmers. When they branched out into different enterprises, it was as an adjunct to their status as gentry. In South Taiwan, for example,

> ". . . sugar was manufactured from the cane grown upon the owners' plantations, or from that brought from elsewhere. The cane was grown by the tenants, or by those who through being heavily indebted to the landowner stood in the same relation as retainers . . . under it [this system] the master of the sugar factory secures a threefold profit.
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> 1. As landlord, he claims from his tenants from 15 per cent. to 20 per cent. of the cane as rent.

[7] One might suspect that, as in China, members of these families *were* the officials at lower levels of administration. But there is no direct evidence on this point, aside from frequent references to the fact that *clan* solidarity, imported to Taiwan by the migrants from South China, was one of the few bases for organizing any kind of joint action by Taiwanese on a large scale.

[8] The government was unable to fill such a role itself for reasons already noted. Officials, who were not permanent fixtures in Taiwan, confined their acquisitive energies to foreign commerce, where returns were quicker and they did not need to make long-term commitments. For example, it is significant that the government almost never operated its own monopolies, but let them out to many private agents and taxed the products as they were exported.

1:Gallin E-4,5 (1957-1958) 1966
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the main products. Rice growing played little part in the economy. The almost total lack of irrigation, presumably combined with a high mortality rate, prevented any rapid increase in population. There were not even enough people to exploit the land fully.

The present area of Hsin Hsing was at that time the site of only a few scattered households. The inhabitants were so few and so weak, and the bandits so many and so strong, that Hsin Hsing and eleven nearby villages formed a mutual protection association. When a village was attacked by bandits, it sounded large gongs as an alarm signal; the signal was relayed from village to village, and the able-bodied men rushed to the aid of the community under attack. The associated villages still maintain an informal organization today, though its function is now the production of a joint annual religious procession (which will be discussed in Chapter 8).

The coming of the Japanese to Taiwan had major repercussions not only for Lukang but for the Hsin Hsing village area generally. Once their rule was established on the island, the Japanese moved quickly to bring about law and order by suppressing the bandits. They eliminated the lawless element from the countryside and brought new security to the village people.

The Japanese also took in hand the extreme complexities of a tri-level land tenure system of landlords, tenants, and subtenants. (See details in Chapter 4.) In order to establish clear property rights and increase the efficiency of tax assessment and collection, the Japanese carried out extensive land surveys from about 1898. In 1905 the "Land Investigation Regulations" were promulgated; they resulted in a greatly simplified land tenure structure which included only landlords and tenants. This basic system is still in force today. Even in more recent years, although the Land Reform Program of the Chinese Nationalist government modified the internal content of the land tenure structure, its form has remained roughly the same.

At the same time, the Japanese gradually extended the irrigation system to serve much larger areas (see *Pu Yen Chuang Yen Ke Chih*)[4] as part of their effort to integrate the colonial area of Taiwan into the Japanese economy. The development of a major irrigation system enabled the agricultural population to expand its rice production greatly, and this rice ultimately became its major export to the Japanese homeland (Barclay, 1954b:18–42).[5]

The expansion of the irrigation system, accompanied by a greater emphasis on agriculture in the area, occurred at about the time that the main impact of the closing of the port of Lukang began to affect the villagers, who thus lost the opportunity to supplement their livelihood by working in the port. The increased irrigation meant that wet-rice could be planted profitably. Wet-rice production demands a

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1:Gallin E-4,5 (1957-1958) 1966
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F 175 648 F 175 648 722 727 161 423 464 [178] [462] ists brought a change in regime to Taiwan. This is known as the "Restoration." At the outset the Taiwanese people welcomed the change, feeling that the coming of the Chinese represented a reunion with their own "race." With the advent of peace, there was a general return of men to the land. Only one Hsin Hsing villager had been killed in the war in Southeast Asia. The other villagers from Hsin Hsing who had surrendered or been taken as prisoners while working in Japanese labor groups were returned to Taiwan in ships. The return of these men to the land was followed by a general population increase, and in the Hsin Hsing area this quickly aggravated the problem of land scarcity; tenancy became a greater problem than ever before. Families could neither buy nor rent enough land to support themselves adequately, and, in addition, the war period had brought about a significant alteration in local patterns of division of labor. In the absence of the men the women had assumed new roles and responsibilities and had begun to take an active part in the operation of the land. This change was so well established that from about 1948 on it became possible for the men to work elsewhere for periods of varying length to supplement the family's farm income. This was the beginning of a new and ever-increasing trend of mobility to Taipei, a trend not confined to the Hsin Hsing area, although it may have begun there earlier than in most other parts of Taiwan. Some men hired out as farm laborers or worked as itinerant merchants in the area. But it is significant that local industrial development has been so slight that it has offered no economic alternatives to the villagers.

Tn 175 423 [648] [241] [434] Tn [161] After 1949, when the movement of the remnants of the Chinese Nationalist forces from the mainland to Taiwan was halted, the regime instituted a new policy of government rule and reform. The Land Reform Acts between 1949 and 1953 were the most important aspect of this policy. The Land Reform, the increased availability of fertilizer, the infusion of great quantities of economic aid from the United States, and the great increase of supplementary income from villagers working in Taipei have all contributed to an apparent rise in the Taiwanese farmer's standard of living. But the basic problem of population pressure and land scarcity continues to worsen, affecting both economic and social aspects of village life.

LANGUAGE AS AN INDICATION OF HISTORICAL SEQUENCE

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In 1958 there were four main languages spoken in Taiwan: Japanese, Taiwanese, Mandarin, and Hakka. The latter three are usually referred to as dialects of Chinese, but since they are not mutually intelligible, they are actually different languages, and will be referred

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Changing Land Tenure and Its Effect on Community Organization

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The traditional (Ch'ing) land tenure system in Taiwan has undergone a number of modifications over the years. Each was instituted with the advent of a new regime, and marked the inception of major changes in other aspects of rural life. As we have seen, the colonial administration policies of the Japanese were instrumental in producing the first significant involvement of the Taiwanese peasant in the market economy. Nevertheless, it was not until the restoration of Chinese rule, when the population growth began to exert noticeable pressures and the Nationalist Chinese sponsored the Land Reform Program, that major changes took place in the economy which reached directly into most of the areas of Taiwanese rural life.

The system of land tenure in Taiwan has always been a controlling factor in the lives of the agricultural population, and to understand Taiwanese life fully it is necessary to understand the land tenure system and its history. From the late nineteenth century onwards the rural villagers suffered the results of the concentration of landownership into too few hands. This situation culminated finally in the Land Reform Program of 1949–1953, which, for the first time, secured the Taiwanese tenants' rights to the land they tilled through firm rental contracts, reductions in rent, and the Land-to-the-Tiller Program.

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Putting untilled land under cultivation became a great concern of the government at the time of the Manchu conquest of Taiwan in 1683, according to T'ang (1954:23–27). Under the Manchu (Ch'ing) dynasty, any person applying for rights to occupy uncultivated land was considered the owner as long as he kept his acres under proper cultivation. Not surprisingly, this program led to a situation in which people with enough capital, "a relatively small number of great families" (Ginsburg, 1953:32), obtained rights to large amounts of land

1:Gallin E-4,5 (1957-1958) 1966
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and then hired other people, usually immigrants from the mainland, to cultivate the land for them as their tenants.

As the population increased in the later years of the Ch'ing administration there was increasing pressure on the land, and many tenants began to sublease part of the land to others. These subtenants became the lowest rank in a three-stage hierarchal structure of land tenure (Ginsburg, 1953:26–27, 32–33; Grajdanzev, 1942:72–84; T'ang, 1954: 23–27).

In 1904, nine years after taking control of Taiwan, the Japanese government altered this hierarchal system of land tenure by buying out the original landowner and conferring the rights of ownership on the tenant. When, in 1923, the Japanese applied the Japanese Civil Code to Taiwan, full legal rights were given to the new owner (the former tenant), who was now officially known as "landlord."

This move benefited the original tenant who was given full ownership rights, but it did nothing to improve the lot of the mass of actual cultivators (now tenants instead of subtenants) whose land rent was no lower than before. As a result, "tenancy disputes" became more numerous beginning in 1927. In that year the Japanese authorities encouraged the formation of local associations of landowners and tenants which were charged with the responsibilities of promoting better relations between landlord and tenant, preventing tenancy disputes, and fostering agricultural production (T'ang, 1954:26). Although many such associations were formed, "the question of farm rents was entirely outside of the jurisdiction of these associations. It [the rent question] was not only left unsolved, but there was even a marked tendency for farm rents to keep on increasing" (T'ang, 1954:26).

In 1939, in the midst of the Sino-Japanese war, the Japanese government issued a rent control law which was applicable to Taiwan and Japan alike. This law had little effect in Taiwan because it did nothing to reduce rents; it only stabilized the situation. (See Grajdanzev, 1942:72–84, especially p. 82 for a discussion of the Japanese attempts to deal with Taiwanese land tenure problems.)

Although the farm tenancy system continued, after 1945 the Japanese rent control law of 1939 was no longer enforced when Taiwan reverted to Chinese rule. With the increase in the rural population and the general upset of the island's economy, farm rents began to rise, and demands increasing security and rent deposits were made. Worst of all, in many cases tenants were arbitrarily evicted (T'ang, 1954:25–28).

Tenancy had been a great problem in Taiwan under both the Japanese and the Chinese since landownership was concentrated in the hands of relatively few owners (Klein, 1958:53; see also his Tables 17 and 18). "The high rate of tenancy reflects the great scarcity of cultivable land in Taiwan in relation to the demand for it. Land-

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Hsin Hsing, Village in Change

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In the preceding chapters we have seen how the Hsin Hsing villager, a peasant who was tied to the land and the village community and primarily involved in a basically subsistence type of agriculture, is being transformed to one who is becoming more and more involved in the market economy of the country and who has widespread contacts with an urban way of life. We have seen how such developments are affecting village social organization, community and kinship solidarity, and some of the general patterns of village life. We have also seen that although many features of traditional Chinese culture are still evident in the Hsin Hsing village area (especially in the realm of religion, which continues to be a source of community unity), the impact of increased urbanization in Taiwan in recent decades has brought about important and rather rapid socioeconomic and cultural changes. This has been especially marked in the roles of the village and kinship organizations that were previously the peasants' chief sources of identification and security. We now turn to a description of modifications and changes in traditional values and behavior that further indicate the inexorable direction of change in Hsin Hsing.

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Social change is not new to Chinese society. It has been going on for a long time in Taiwan, as well as on the mainland of China, as a consequence of the continuing process of urbanization. However, the process in Taiwan has been accelerated as a direct result of Japanese rule followed by the present rule of the Nationalist Chinese government.

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Until the early part of this century, rural society in Taiwan had been relatively stable for many years. Population growth was slow, and there was enough land for the people. Members of the economic families had close relationships with the village as a community as well as with their localized kinship groups. As long as communications were poor, banditry a constant danger, and mobility limited, village unity was essential to security and even survival. Cohesive, tightly knit single *tsu* villages were quite powerful and frequently the de facto govern-

36: Rowe S-4 (no date) 1955 AF1 China AF1
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was that the Taiwanese were accustomed to the peace and order of a country under a foreign tyranny, and could not, at first, understand the "lack of uniformity" and "the complexities" of democratic rule (thanks to the Japanese, on the other hand, they had no illusions about or yearnings after Communism). Finally, the men who governed Taiwan immediately after the retrocession gave every evidence of being more interested in increasing their power and lining their pockets than in providing good management. When, therefore, the Nationalist government moved to Taiwan in 1949, it found that it had taken on numerous grave local problems in addition to those it had brought with it from the mainland.

Political Reform

The Kuomintang, the leading political party, prepared itself to deal with these problems by putting itself through a reorganization. Its younger, more liberal leaders were, to this end, appointed to a Central Reform Committee, the main task of which was to strengthen and tighten party organization and eliminate corrupt elements, opportunists, and bureaucratic politicians. On 1 September 1950, the Nationalist government was ready to announce a new political program. Its objectives were to

> encourage private enterprise to the extent of avoiding monopolistic combinations and to transfer government-operated light industries to private ownership; to establish a democratic industrial system in which the workers' welfare is safeguarded by allowing them a share and a voice in the ownership and management of private enterprise; to promote the interests of tenant farmers and farmers through land reform, water conservancy, and land reclamation; to carry out local self-government and to protect civil rights.

Local self-government and land reform were the fields in which the government brought about the most spectacular changes. It first removed all the social barriers and segregation measures that had been created and maintained by the Japanese. The native Taiwanese were no longer barred from institutions of higher learning, or from the worthwhile positions in commerce and politics. They were encouraged to participate in local self-government, and to think for themselves. By 6 May 1951, 21 mayors and magistrates in 16 counties and 5 municipalities had been elected to their respective offices by popular vote. There are now 6304 village and *li* (comparable to urban wards) assemblies, in which the Taiwanese are learning the art of self-government. Representing them in town and district assemblies are 8024 village and *li* delegates. On the county and municipal levels, there are about 541 popularly elected councilmen. Of an estimated 2,650,000 qualified men and women voters, some 2,416,072 are registered. In keeping with the government's policy of economy, the total number of government employees was reduced in June, 1950 to 81,000. The percentage of indigenous citizens in the government service rose to 65.46 percent.

There has also been a marked change in the importance and responsibility of the posts held by Taiwanese. In the category of first class officials, indigenous personnel have increased from 0.92 percent under Japanese rule to 17.45 percent in the present government. In the category of second class officials, indigenous personnel rose from 1.29 percent to 25 percent.

Land Reform

The other outstanding reform accomplished by the government has been the carrying out of a new land reform program, which has greatly benefited the lot of the farmers, who are no less than 60 percent of the population. For the 70 percent of the farmers who are

36: Rowe S-4 (no date) 1955 AF1 China AF1
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tenants there has been a rent reform program which went into effect in 1949 and set a maximum rental ceiling of 37.5 percent of the total yield (average rental had theretofore ranged from 46 to 62.5 percent of the total yield). The income of tenant farmers has, in consequence of the program, risen by an average of 30 percent. The reform legislation provides that where the main crop yields are less than 20 percent of normal the tenant shall not be required to pay any rent at all. It also gives the farmer security of tenure (landlords may no longer refuse to renew contracts in order to re-rent on more favorable terms), and it restricts landlords' right to dispossess tenants. By 1951, 97.54 percent of the tenant farmers had completed new contracts under the new law, and the landlord problem had been brought, for the most part, under control. The price of land has steadily declined, which, of course, enables more and more tenant farmers to buy land to own. The rent reduction program has been carried out in cooperation with a Chinese-American organization, the Joint Commission on Rural Reconstruction, which is responsible for a program of general agricultural improvement: the construction of irrigation dams and canals, reclamation projects, the making available of better seeds and fertilizers, animal disease control, the organization of farmer associations and rural cooperatives, and rural health measures.

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By the end of the period 1950–1951, the use of US-financed fertilizer had brought rice production to the highest peak in the history of Taiwan. In exchange for much-needed foreign currency, twenty-two thousand, five hundred eighty-seven metric tons of Taiwan's surplus were exported to Japan and South Korea. Other foods basic to local consumption were also above peak prewar production levels. Sweet potatoes were up 20 percent, wheat 165 percent, and peanuts 89 percent. Considering the handicaps under which the government started, the economy of Taiwan is now surprisingly stable, largely because of the increased agricultural productivity reflected in the foregoing statistics.

C F 652

Economic Reform

In 1949, to meet the economic crisis precipitated by the soaring inflation of the Chinese National currency, to which the Taiwan dollar was then linked, a fresh start was made by introducing a new currency, linked to the US dollar and backed by gold bullion brought over from the mainland. At the same time, a series of deflationary measures were enlisted. The government's expenditures, for example, were curtailed by reducing its personnel and cutting back certain of its activities; at the same time, its resources were increased by means of a new luxury tax (based upon ownership of property, including cars and refrigerators), a defense tax, the floating of bonds, and the sale of government assets. The program, as a whole, had the effect of encouraging private enterprise, so that the usual sources of revenue (customs receipts, returns from the salt monopoly, the postal services, and assorted government enterprises in fields like telecommunication, air transport, navigation, petroleum, aluminum, gold, coal, copper, and steel) became more productive.

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Industrial Recovery

In industry, Taiwan's return to prosperity has been extremely rapid. At the time of Japan's surrender, the annual coal production had dropped to 776,000 metric tons (as compared to peak production of 1,182,635 in 1941); electric power had fallen off to 52,646 KW (as compared to the peak load of 152,355 KW in 1943); the production of sugar (the chief product for export) had declined to 86,073 metric tons (as compared to 1,418,000 metric tons before WW II), that of cement to 78,000 metric tons (as compared to peak production